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Thurmond's Barbs Anger Brzezinski

By George Lardner, Jr.

Washington Post Staff Writer

White House national security affairs adviser Zbigniew Brzezinski angrily denied yesterday that he had simply been serving as "the president's political troubleshooter" in privately warning Billy Carter last spring against a projected Libyan oil deal.

The accusation was leveled by Sen. Strom Thurmond (R-S.C.) during an acrimonious exchange about the administration's handling of top-secret intelligence information concerning Billy Carter's Libyan activities.

Thurmond contended that the hearings of the special Senate subcommittee investigating the matter had turned up substantial evidence that, instead of keeping national security upmost in his mind, Brzezinski had been "trying to prevent Billy from doing something that would hurt the political fortunes of the president."

Testifying at a day-long session, Brzezinski hotly denied the charge, calling it "a highly improper insinuation, an innuendo not justified by the facts."

His voice quivering with emotion, he told Thurmond: "I resent the allegation that you're making regarding my motives."

Evidently annoyed at what he considered Brzezinski's evasive answers on another point, Thurmond was undeterred.

"We're trying to get the truth, but we're not too sure you're telling it," he told Brzezinski.

"Excuse me, senator," the White House aide responded. "You may not be sure. I know I'm telling the truth."

The dispute was a highlight of the subcommittee's last scheduled public hearing on the controversy about the

president's brother's dealings with the Libyan government since 1978 and his refusal to register as a foreign agent until after Justice Department investigators discovered in June that he had received \$220,000 from the Arab regime. The subcommittee has not decided whether to press for President Carter's testimony.

Brzezinski told the senators that he knew nothing of the \$220,000 payments until Billy Carter publicly reported them when he registered under court order July 14. But Brzezinski said he was informed last March 31 by CIA Director Stansfield Turner of Billy Carter's efforts to secure an increased allocation of Libyan oil for the Charter Oil Co. of Jacksonville.

The projected deal, which would have produced a multimillion-dollar commission for Billy Carter, was mentioned in an intelligence report that Turner noticed and brought to Brzezinski's attention. The report did not mention either Billy Carter or Charter Oil by name, but Turner learned those details on asking for them from the originating intelligence agency. Then he went to the White House, noting in a memo for the record:

"I delivered an intelligence report concerning a relative of the president. Brzezinski agreed to show it to the president and return it to me."

Brzezinski said he believes he had it burned instead. He said he couldn't recall Turner's asking for the document's return. He said Turner lingered in his office around noon last March 31 after a highly sensitive meeting on another issue.

He said he had a piece of information which he felt I ought to bring to the president's attention," Brzezinski testified.

He said he decided to call Billy Carter first to admonish him about the deal and warn that it could be exploited politically by the Libyans. Brzezinski said he felt he would serve the president better if he did that before marching into the Oval Office.

Brzezinski said last month in a White House report to the subcommittee that he informed President Carter the next morning, April 1, but records obtained by the subcommittee indicate he probably did so on April 2 instead. Meanwhile, Billy Carter, according to other records, appears to have been busy placing calls to a hotel in Libya where his associate Randy Coleman was staying at the time.

Brzezinski said he summarized the intelligence report for the president instead of showing it to him. Brzezinski said he also informed the president of his call to Billy Carter and Billy's "somewhat less than gracious" reaction, telling Brzezinski to mind his own business.

"I distinctly remember the president saying, 'You did the right thing,'" Brzezinski recalled.

Subcommittee Chairman Birch Bayh (D-Ind.) asked why Brzezinski did nothing further to block the oil deal when Billy Carter was apparently adamant about it.

Brzezinski attributed the lapse partly to the press of other business, including planning for the aborted mission to rescue the hostages in Iran. He said he also felt he may have helped change Billy Carter's mind despite his initially sour reaction.

"In retrospect, we know the whole thing fell through," Brzezinski observed. He said he thinks his call "might have had some impact."

Thurmond asked whether Brzezinski alerted U.S. intelligence agencies to be sure to pursue the matter and to be on the lookout for any other information regarding Billy Carter's Libyan activities. Brzezinski insisted that it wasn't necessary.

"I cannot alert someone to do what they were already doing," he insisted. "I concluded they were already monitoring the issue." He said the intelligence report he got from Turner had also gone to law enforcement authorities.

According to reliable sources, however, FBI officials were not informed, as Brzezinski was, that the unidentified individual mentioned in the intelligence report was Billy Carter, and no one brought that fact to their attention.

Sen. Charles McC. Mathias Jr. (R-Md) suggested at one point that the inquiry had failed to uncover any real improprieties in the drawn-out government investigation of Billy Carter's activities, but it had produced considerable evidence of incompetence.

For instance, he said, as a result of Brzezinski's call to Billy Carter about the Charter Oil deal, "Billy gets intelligence information while the assistant attorney general has to wait until June to get it." In another bizarre stroke, he said, the president of the United States didn't find out about the \$220,000 paid to his brother until he read it in the papers, even though the billion-dollar intelligence apparatus over which he is supposed to preside heard of the payments months and weeks earlier.

"It just seems to me," Mathias said, "that what we're dealing with here is a perhaps wholly innocent series of blunders—but they add up to an appearance of incompetence."

On another issue, Brzezinski defended the White House decision last November—at the prompting of Rosalynn Carter—to use Billy Carter as an intermediary in enlisting Libyan support for release of the hostages in Iran. He said the meeting Billy Carter set up last Nov. 27 between Brzezinski and Ali Houderi, the chief Libyan diplomat here, was useful but of no great moment in the international scheme of things.

"The suggestion that our purpose was to enhance Billy Carter's opportunity for commercial advantage in his relations with Libya is preposterous," Brzezinski said.

Subcommittee members, however, seem convinced that this was the result, whether intended or not. The Libyans made their first payment, of \$20,000, to Billy Carter exactly one month after he and Coleman brought Houderi to the White House and sat in on the meeting with Brzezinski.